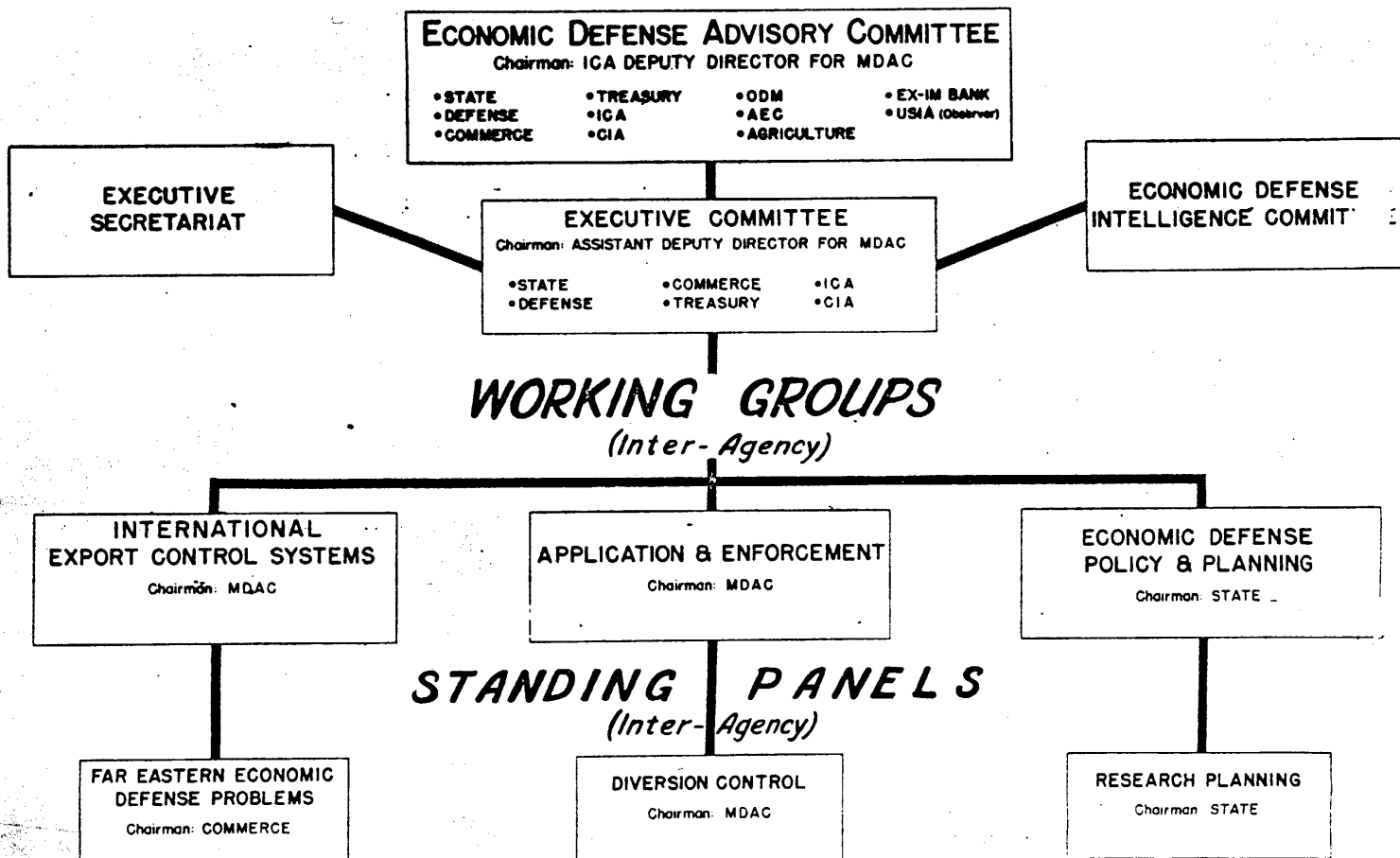
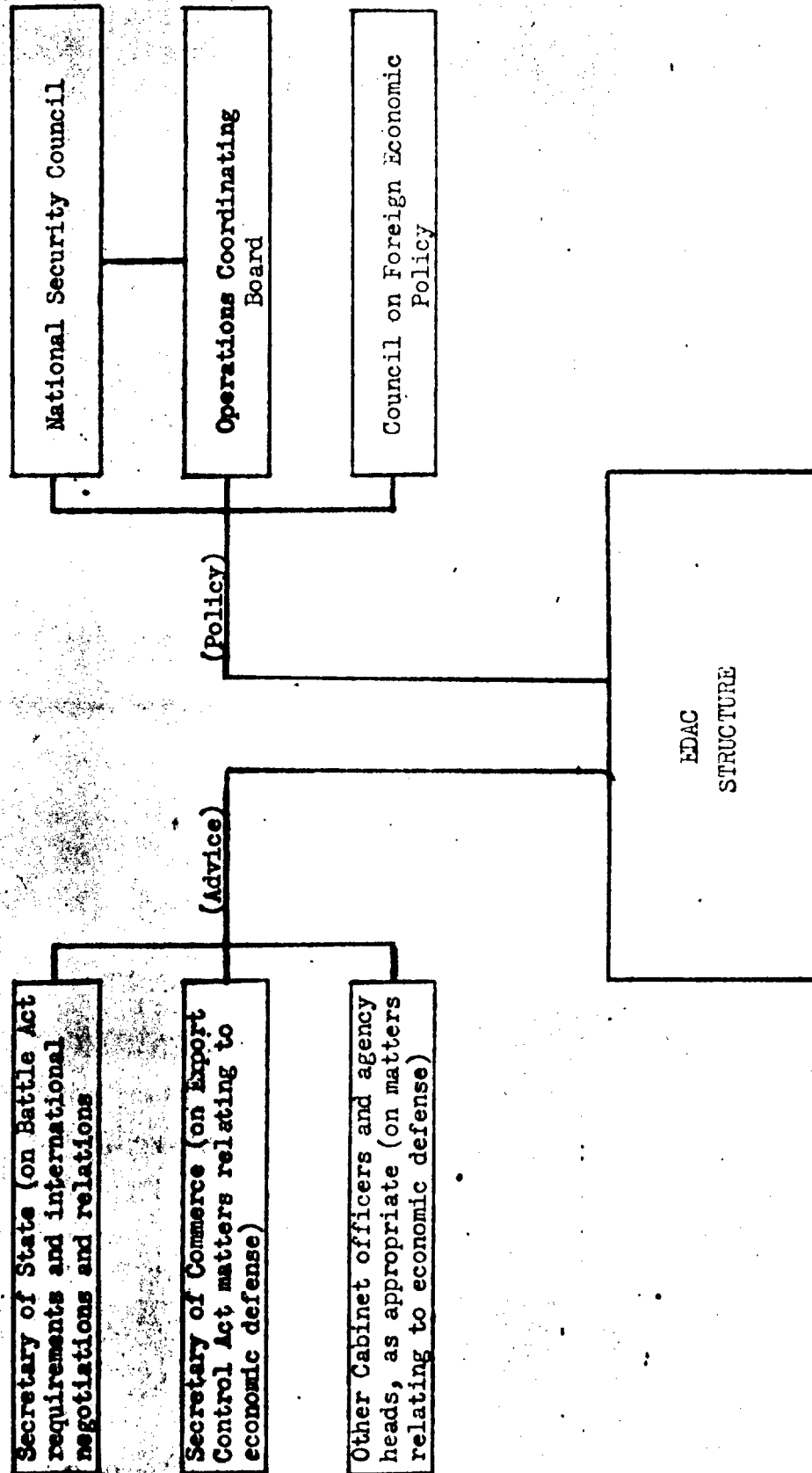


EDAC STRUCTURE



EDAC ADVISORY AND POLICY RELATIONS SLIPS



OFFICIAL USE ONLY

ECONOMIC DEFENSE ADVISORY COMMITTEE STRUCTURE

I. Economic Defense Advisory Committee (EDAC)

A. Organization

1. The following will have membership at the Assistant Secretary level on the EDAC:

MDAC (Chairman)
Department of State
Department of Defense
Department of Commerce
Department of the Treasury
International Cooperation Administration
Central Intelligence Agency
Office of Defense Mobilization
Atomic Energy Commission
Department of Agriculture
Export-Import Bank
United States Information Agency (Observer)

2. The Chairman shall invite other agencies to participate in Committee activities when matters affecting their interests or requiring their competence are under consideration.

B. Area of Responsibility: Matters affecting U. S. economic defense policies and the MDAC Act.

C. Functions

1. Taking policy direction from the NSC and CFEF, to advise the heads of member agencies with respect to matters affecting their responsibilities in carrying out U. S. economic defense policies and the MDAC Act.
2. As appropriate, to submit recommendations and considerations on economic defense policy to the National Security Council, Council on Foreign Economic Policy, and Operations Coordination Board.
3. To modify the permanent EDAC structure as necessary and to supervise the operations of subordinate committees through the Executive Committee.

OFFICIAL USE ONLY

OFFICIAL USE ONLY

-2-

D. Recommendations and Reports

1. The Chairman shall be responsible for making recommendations and submitting reports to the heads of member agencies or, as appropriate, to the NSC, CFEP, or OCB structures.
2. (a) When an agency dissents from the recommendation of the Chairman, its position shall be recorded in the minutes and that agency shall, in matters of important policy, after notifying the Chairman, submit a document stating its dissenting position, so that the matter may be resolved at the appropriate higher level in order that a unified Executive Branch position will result.

(b) In all other matters, when a dissenting agency decides not to appeal, it accepts the Chairman's recommendation as the U. S. position.

II. Executive Committee (ED/EC)

A. Organization

1. The following will have membership on the Executive Committee:

MDAC (Chairman)
Department of State
Department of Defense
Department of Commerce
Department of the Treasury
International Cooperation Administration
Central Intelligence Agency

2. The Chairman shall invite other agencies to participate in activities of the Committee when matters affecting their interests or requiring their competence are under consideration.
3. There shall be established, under the Executive Committee, Working Groups on International Export Control Systems, Application and Enforcement, and Economic Defense Policy and Planning, to be called Working Group I, II, and III, respectively.
4. The services of the Economic Defense Intelligence Committee shall be available to the Executive Committee and EDAC Working Groups and Panels under terms of reference that have been separately set up and agreed upon.

OFFICIAL USE ONLY

OFFICIAL USE ONLY

-3-

- B. Area of Responsibility: Matters affecting U. S. economic defense policies and the MDAC Act.
- C. Functions
1. To act for EDAC in advising member agencies on a continuing basis, referring to EDAC matters in which any agency wishes to appeal a recommendation of the Chairman and any other matters considered to warrant EDAC consideration.
 2. To carry out special assignments from EDAC.
 3. To modify the permanent Working Group and Standing Panel structure as necessary, and to direct and coordinate the activities of the Working Groups.
- D. Recommendations and Reports
1. The Chairman shall be responsible for making recommendations and submitting reports to the member agencies, to the EDAC, or, in special cases, with the concurrence of the ED/EC and the Chairman of EDAC, to the appropriate level of the NSC, CFEF, or OCB structures.
 2. (a) When an agency dissents from the recommendation of the Chairman, its position shall be recorded in the minutes and that agency shall, in matters of important policy, after notifying the Chairman, submit a document stating its dissenting position, so that the matter may be resolved at the appropriate higher level in order that a unified Executive Branch position will result.
(b) In all other matters, when a dissenting agency decides not to appeal, it accepts the Chairman's recommendation as the U. S. position.

OFFICIAL USE ONLY

OFFICIAL USE ONLY

-4-

III. Working Groups

A. Working Group I (International Export Control Systems)

1. Organization

- a. The following will have membership on the Working Group:

MDAC (Chairman)
Department of State
Department of Commerce
Department of Defense
International Cooperation Administration
Central Intelligence Agency

- b. The Chairman shall invite other agencies to participate in the Working Group when matters affecting their interests or requiring their competence are under consideration.
- c. There shall be established, as a Standing Panel of the Working Group, a Far Eastern Economic Defense Panel.
- d. Technical, economic, and intelligence information related to commodity controls shall be provided to the Working Group under standards and procedures to be determined by an ad hoc inter-agency group.

2. Area of Responsibility

- a. Battle Act Lists, principles, and procedures.
- b. COCOM and CHINCOM matters relating to the control of commodities, technology, and services, including:
- (1) Security evaluations, listings, control levels, exceptions.
- (2) Negotiating positions related to above.
- c. Third country control problems related to a and b above.
- d. Application of new policies and criteria to control problems indicated above.

B. Working Group II (Application and Enforcement)

1. Organization

- a. The following will have membership on the Working Group:

OFFICIAL USE ONLY

OFFICIAL USE ONLY

-5-

MDAC (Chairman)
Department of State
Department of Commerce
Department of Defense
International Cooperation Administration
Department of the Treasury
Central Intelligence Agency

- b. The Chairman shall invite other agencies to participate in the Working Group when matters affecting their interests or requiring their competence are under consideration.
- c. There shall be established, as a Standing Panel of the Working Group, a Diversion Control Panel.

2. Area of Responsibility

- a. Multilateral enforcement controls, control systems, and activities designed to increase effectiveness thereof.
- b. Problems of transit trade, such as routes, patterns, and free port arrangements.
- c. Enforcement problems with third countries relating to a and b, above.
- d. Assembling and reviewing intelligence and other relevant information on firms participating in questionable East-West trade activities with a view to categorizing such firms and recommending appropriate administrative action or the lifting thereof to the action agencies.
- e. Obtaining from the field additional information on particular firms, and recommendations on taking or lifting of action; and preparing instructions to the field for discussing administrative action cases with foreign governments and firms.
- f. Diversion control operations.
- g. Technical advice and assistance within the meaning of Title III of the Battle Act.

C. Working Group III (Policy and Planning)

1. Organization

- a. The following will have membership on the Working Group:

OFFICIAL USE ONLY

OFFICIAL USE ONLY

-6-

Department of State (Chairman)
Department of Commerce
Department of Defense
International Cooperation Administration
Department of the Treasury
MDAC
Central Intelligence Agency

- b. The Chairman shall invite other agencies to participate in the Working Group when matters affecting their interests or requiring their competence are under consideration.
- c. There shall be established, as a Standing Panel of the Working Group, a Panel on Research Planning.

2. Area of Responsibility

- a. Basic economic defense planning, including:
 - (1) Continuing evaluation of current policies and programs.
 - (2) Development of alternative recommendations for changes in such policies or programs.
- b. Planning for coordination and preparation of the U. S. position on economic defense policies as required for international organizations.
- c. Economic warfare planning.
- d. Development of research requirements for the support of the economic defense program.
- e. Formulation of economic defense programs and activities with respect to developments in Sino-Soviet bloc foreign economic policy and practices.

D. Functions of Working Groups

- 1. To act for the ED/EC, within their respective areas of responsibility, in advising member agencies on a continuing basis, referring to the ED/EC matters in which any agency wishes to appeal a recommendation of the Chairman and any other matters considered to warrant ED/EC consideration.
- 2. To carry out special assignments from the ED/EC.
- 3. To direct the activities of their Standing Panels.

OFFICIAL USE ONLY

OFFICIAL USE ONLY

-7-

E. Recommendations and Reports

1. The Chairman of each Working Group shall be responsible for making recommendations and submitting reports to the member agencies, to the ED/EC or, in special cases, elsewhere with the concurrence of the Group and the Chairman of the ED/EC.
2. When an agency dissents from the recommendation of the Chairman, it shall, in matters of important policy, after notifying the Chairman, submit a document stating its dissenting position, so that the matter may be resolved at the appropriate higher level in order that a unified Executive Branch position will result.

IV. Standing Panels

A. Under Working Group I

1. Far Eastern Economic Defense Panel

a. Organization

- (1) The following will have membership on the Panels:

Department of Commerce (Chairman)
Department of State
Department of Defense
International Cooperation Administration
Department of the Treasury
MDAC
Central Intelligence Agency

- (2) The Chairman shall invite other agencies to participate in the Panel when matters affecting their interests or requiring their competence are under consideration.

- b. Area of Responsibility: Far Eastern aspects of problems within the area of responsibility of Working Group I.

B. Under Working Group II

1. Diversion Control Panel

a. Organization

- (1) The following agencies will have membership on the Diversion Control Panel:

OFFICIAL USE ONLY

OFFICIAL USE ONLY

-8-

MDAC (Chairman)
Department of State
Department of Commerce
Department of Defense
Department of the Treasury
Central Intelligence Agency

- (2) The Chairman shall invite other agencies to participate in the Panel when matters involving their interests are under consideration.

- b. Area of Responsibility: These problems within the area of responsibility of Working Group II relating to control over diversion of strategic goods to the Sino-Soviet bloc.

C. Under Working Group III

1. Panel on Research Planning

a. Organization

- (1) The following will have membership on the Panel:

Department of State (Chairman)
Department of Commerce
Department of Defense
International Cooperation Administration
MDAC
Central Intelligence Agency

- (2) The Chairman shall invite other agencies to participate in the Panel when matters involving their interests or requiring their competence are under consideration.

- b. Area of Responsibility: Programs for research necessary to support the economic defense program.

D. Functions of Standing Panels

1. To act for the Working Groups, within the Panels' respective areas of responsibility, in advising member agencies on a continuing basis, referring to their respective Working Group matters in which any agency wishes to appeal a recommendation of the Chairman and any other matters considered to warrant Working Group consideration.
2. To carry out special assignments from their respective Working Groups.

OFFICIAL USE ONLY

OFFICIAL USE ONLY

-9-

E. Recommendations and Reports

1. The Chairman of each Standing Panel shall be responsible for making recommendations and submitting reports to the member agencies, to their respective Working Groups, or, in special cases, elsewhere with the concurrence of the Panel and of the Working Group Chairman.
2. (a) When an agency dissents from the recommendation of the Chairman, it shall, in matters of important policy, after notifying the Chairman, submit a document stating its dissenting position, so that the matter may be resolved at the appropriate higher level in order that a unified Executive Branch position will result.

(b) In all other matters, when a dissenting agency decides not to appeal, it accepts the Chairman's recommendation as the U. S. position.

V. The Executive Secretariat for the EDAC structure shall be provided by MDAC, and shall:

1. For the Chairmen of EDAC, the Executive Committee, the Working Groups, and, as required, the Standing Panels:
 - a. Transmit calls for meetings, together with agenda and documents, and make necessary physical arrangements for meetings.
 - b. Assist in the preparation of agenda, selection of documentation, and pre-meeting briefings.
 - c. Attend meetings, check authority and security clearance of attendees, and prepare records of meetings.
 - d. Make arrangements for the processing and distribution of records of meetings and other committee documents.
 - e. Assist in following up on committee actions and assignments to assure that requirements are met.
2. Keep the EDAC structure informed on matters related to current economic defense problems and activities by the circulation of materials of common interest.
3. Set up and maintain permanent files of meeting records, documents, and other papers originating in the EDAC structure.

OFFICIAL USE ONLY

OFFICIAL USE ONLY

-10-

4. Upon request of the Executive Committee Chairman or a Working Group Chairman, compile and provide information, assist in the preparation of documents, and perform other special assignments.
5. Maintain a current record of security clearances of all persons participating in the EDAC structure.

VI. Operations

- A. The Chairman of each of the bodies mentioned in I thru IV above shall be responsible for:
 1. Conduct and proceedings of his committee.
 2. Determining when and where meetings will be held, what matters will be discussed, and appropriate representation at meetings.
 3. Establishment of rules and regulations governing the preparation and distribution of agenda, reports of meetings, and other committee documents.
 4. Establishment of ad hoc sub-groups, as necessary, and terms of reference and procedures thereof.
 5. Assuring that minutes of Working Groups reflect member positions where members wish that such positions be recorded.
 6. Assuring the preparation of work programs designed to implement committee decisions or directives from higher levels.
- B. Each member of the bodies mentioned in I thru IV above:
 1. Shall be responsible for:
 - a. Distribution of committee documents, agenda, etc., within his agency.
 - b. Providing the committee Chairman with official and authoritative information and policy advice on behalf of his agency.
 - c. Providing the Chairman and committee with necessary and appropriate cooperation and documentation.
 - d. Maintaining appropriate security safeguards for his agency with respect to meeting attendance, documents, and related matters.
 - e. Providing appropriate participation in ad hoc sub-groups.
 2. May request that a meeting be called.
 3. May, with the specific approval of the Chairman, arrange for attendance of other qualified officers of his agency.

OFFICIAL USE ONLY